

**DIRECT TESTIMONY OF
CHRISTOPHER J. ROZYCKI
ON BEHALF OF
THE SOUTH CAROLINA OFFICE OF REGULATORY STAFF
DOCKET NO. 2021-23-C
IN RE: JOINT APPLICATION (PUBLIC VERSION) OF CHARTER
FIBERLINK SC-CCO, LLC AND TIME WARNER CABLE INFORMATION
SERVICES (SOUTH CAROLINA), LLC FOR DESIGNATION AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER TO RECEIVE RURAL
DIGITAL OPPORTUNITY FUND AUCTION (AUCTION 904) SUPPORT
FOR VOICE AND BROADBAND SERVICES AND REQUEST FOR
EXPEDITED CONSIDERATION**

Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND OCCUPATION.

A. My name is Christopher J. Rozycki. My business address is 6926 Sunset Crater Place, Lancaster, SC, 29720. I am the President of Equity Broadband, LLC, and have been retained as a telecommunications consultant for the South Carolina Office of Regulatory Staff (“ORS”) to provide testimony in this docket.

Q. PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE.

A. I have over thirty (30) years of experience. I have more than twenty (20) years of experience in telecommunications business and regulation and nearly ten (10) years of experience in the regulation of energy industries.

1 My testimony and advocacy covered issues involving finance, economics, rate-of-
2 return, competitive entry, intercarrier compensation and access. I have also been involved
3 with the startup, development, and funding of telecommunications companies.

4 I hold a master's degree in Economics from George Mason University in Fairfax,
5 Virginia and a bachelor's degree in Economics from Georgetown University in
6 Washington, DC. My curriculum vitae is attached to this testimony as CJR – Exhibit 1.

7 **Q. HAVE YOU TESTIFIED PREVIOUSLY BEFORE THE PUBLIC SERVICE**
8 **COMMISSION OF SOUTH CAROLINA (“COMMISSION”)?**

9 **A.** Yes.

10 **Q. HAVE YOU TESTIFIED PREVIOUSLY ON TELECOMMUNICATIONS**
11 **MATTERS BEFORE OTHER STATE PUBLIC SERVICE COMMISSIONS?**

12 **A.** Yes. I have testified on a variety of telecommunications issues in Alabama,
13 Delaware, Florida, Georgia, Louisiana, Mississippi, New York, North Carolina,
14 Pennsylvania, Tennessee, Vermont, and Virginia.

15 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

16 **A.** The purpose of my testimony is to provide our review and analysis of the
17 Application for Eligible Telecommunications Carrier (ETC) status submitted by Charter in
18 this docket and provide recommendations. ORS provides this information to help the
19 Commission reach a determination in this proceeding.

20 **Q. WHAT IS AN ELIGIBLE TELECOMMUNICATIONS CARRIER?**

21 **A.** Generally, companies that provide service in challenging rural areas of the country
22 are often eligible for financial support from part of the federal Universal Service Fund,
23 which helps keep customers' phone bills low and quality high. Section 214(e)(2) of the

Telecommunications Act of 1996 (the “Act”) authorizes state commissions to designate common carriers that meet the requirements as ETCs. 10 S.C. Code Ann. Regs. 103-690 provides that the Commission will fulfill its responsibility to designate common carriers as ETCs, and establishes the requirements that an applicant must meet in order to be designated an ETC. Being an ETC means that for the area designated, the company agrees to provide service (voice and broadband service) upon reasonable request.

Q. ARE ETC’S OBLIGATED TO PROVIDE VOICE AND BROADBAND SERVICE IN CERTAIN AREAS?

A. Yes. According to CFR 47 Section 54.101 companies receiving federal support in high-cost areas are required to provide voice and broadband service in those areas.

Q. ARE THERE ADDITIONAL REQUIREMENTS OF ETC’S ADDRESSED IN THE SOUTH CAROLINA CODE OF STATE REGULATIONS?

A. Yes. South Carolina Code Ann. Regs. 103-690 C(a)(1)(A) requires an ETC to commit to provide service throughout its proposed designated service area to all customers making a reasonable request for service. Section 103-690.1 (b)(3) also requires an ETC to provide updates to the Commission regarding any unfulfilled requests, as required.

Q: WILL CHARTER BE REQUIRED TO PROVIDE BROADBAND SERVICE IN AREAS WHERE IT IS DESIGNATED AS AN ETC?

A. Yes. On January 30, 2020, the FCC established the Rural Digital Opportunity Fund to ensure continued and rapid deployment of broadband networks to unserved and underserved Americans. RDOF will commit up to \$20.4 billion over ten years to support the availability of high-speed networks in rural areas of the United States. As described in

its Application and testimony filed in this docket, Charter will be required to provide voice and broadband service in its ETC designated area.

Q: HAVE OTHER COMPANIES APPLIED FOR ETC DESIGNATION AS A RESULT OF THE RDOF AWARDS?

A. Yes. Seven other companies¹ have applied for ETC designation. Attached as CJR - Exhibit 2 is one of the stipulations that ORS entered with an Applicant for ETC designation. CJR - Exhibit 2 is a stipulation between ORS and Horry Telephone Cooperative and it is comparable to the stipulations submitted in the six other dockets seeking ETC designation.

Q: WHAT IS ORS'S RECOMMENDATION?

A. Subject to agreement with the provisions outlined in the stipulation attached as CJR - Exhibit 2 to my testimony, ORS has no objection to Charter receiving ETC designation. ORS does seek the same or similar provisions as seen in Exhibit 2 in terms of commitments to reporting, certain consumer protections, and compliance with federal and state regulations and Commission orders.

Q. WILL YOU UPDATE YOUR DIRECT TESTIMONY BASED ON INFORMATION THAT BECOMES AVAILABLE?

A. Yes. ORS fully reserves the right to revise its recommendations via supplemental testimony should new information not previously provided by the Company, or other sources, become available.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes, it does.

¹ See Docket Nos. 2021-15-C; 2021-16-C; 2021-17-C; 2021-18-C; 2021-19-C; 2021-21-C; and 2021-22-C.

QUALIFICATIONS & EXPERIENCE OF CHRISTOPHER J. ROZVCKI

QUALIFICATIONS SUMMARY

Senior Regulatory Professional - Significant experience creating and implementing regulatory and legislative policy and plans, with a consistent record of delivering outstanding results in areas involving state and federal regulatory and legislative action, and the establishment and implementation of rational and balanced regulatory policies. Created and directed cross-functional leadership and project teams that produce results. Expertise includes budgeting, reorganizations, strategic planning, hiring, training, and policy and process development. Published journal articles and wrote white papers, pamphlets and a variety of other documents. Developed and presented comments and testimony on subjects including rates; financial, economic and regulatory matters; and industry performance standards and metrics. Appeared before federal and state regulators and legislators, and testified before the Public Utility Commissions ("PUCs") in 13 states.

EXPERIENCE

2021- Present

Equity Broadband, LLC

Lancaster, South Carolina

President

- Provide broadband and telecommunications program advice and operational guidance and support to clients.
- Developing and supporting broadband policy formulation and grant program establishment.

2008- 2021

South Carolina Office of Regulatory Staff, (ORS)

Columbia, South Carolina

Manager – Telecommunications Programs

- Performed analyzed and provided testimony in formal telecommunications proceedings before the South Carolina Public Service Commission with regards to rate applications, CPCNs, tariff filings, interconnection agreements, cost of service and depreciation studies.
- Planned, coordinated and directed daily operations for ORS's Telecommunications Department. Adminstrated and supervised South Carolina's Universal Service Fund, Interim LEC Fund, and Dual Party Relay Fund.

- Developed policies and programs that maximized the financial integrity of the South Carolina's telecommunications companies while ensuring that the companies provided quality service at reasonable rates.
- Collected data and analyzed the technical, statistical and economic trends of telecommunications policy, and wrote position papers when required.
- Managed the Lifeline & Linkup program.

2007-2008

Rock Hill Telephone Company

Rock Hill, South Carolina

Rates and Tariffs Analyst

- Developed competitive rate offerings for business customers.
- Managed federal and state tariff filings
- Assisted in the development of the Comporium Wireless application to participate in the FCC auction of wireless licenses. Also assisted in a variety of other regulatory duties.

2002 - 2007

Telecom Optimization Partners

Charlotte, North Carolina

Partner

Telecom Optimization Partners is firm devoted to improving the business operations and profitability of providers and users of telecommunications services.

- Created business plans, financial models, investor presentations, for a startup supplier of an electric utility communications and management system.
- Developed investor presentations resulting in \$20 million in venture capital funding offers.
- Performed due diligence and M&A research, provided guidance on industry direction and opportunities for a private investment group and a startup cable system aggregator.

2000-2002

Carolina Broadband, Inc.

Charlotte, North Carolina

Vice-President, Legal and Government Affairs

Carolina BroadBand was a Broadband Service Provider ("BSP"), preparing to offer cable TV, telephone, and data services over its own last-mile, fiber optic network in Charlotte, Raleigh, Columbia, and other cities in the Carolinas.

- Performed and managed the complete regulatory startup of the company and established corporate regulatory policies, reporting regularly to the CEO and Board of Directors.
- Negotiated complex agreements with the City of Charlotte, Duke Power, BellSouth, and others for interconnection, pole attachments, and rights-of-way.
- Led the creation of a new industry association, and led the association in educating federal legislators and FCC regulators about critical industry issues.
- Organized and led a special project team for the rollout of telecom services, shaving six months off the time to activate these services.
- Established excellent relationships and worked closely with Charlotte City officials to alleviate market entry barriers facing the company.

1998-2000

ITC^ DeltaCom Communications, Inc.

Huntsville, Alabama

Director of Government Affairs

Recruited to provide policy and managerial leadership to the regulatory department of this competitive telecommunications and data services company. My team performed a wide range of tasks covering all aspects of the business including regulatory functions, interconnection agreement negotiations, customer complaint resolution, tariff development, lobbying, and industry relations activities.

- Formulated company policy on all regulatory issues, coordinating buy-in with the CEO, CFO, General Counsel, CTO, and SVP of Marketing and Sales.
- Crafted strategy and led the company in a series of PUC complaints and court cases against BellSouth, resulting in an \$80 million victory.
- Assembled and led a multi-disciplinary team of subject matter experts to establish company policy, then directed this team in negotiating interconnection agreements with BellSouth and other ILECs.
- Managed consumer complaint resolution, handling difficult cases requiring executive level decisions.
- Testified before state PUCs and PSCs as the company's policy expert on a wide range of issues including inter-company compensation, industry performance standards, and interconnection agreement issues.

1997-1998

Telecove

Pittsburgh, Pennsylvania

Director of Regulatory Affairs

- Led team in obtaining CLEC certification in 12 states and creating over 40 state and federal tariffs.
- Built political support for the company on the issue of municipal rights-of-way, by educating key officials at the FCC, members of the President's Economic Council, state legislators, state regulators, and governor's offices.
- Initiated and organized several industry coalitions that collectively lobbied against RBOC dominance of legislative and regulatory opinion.

1983-1997

AT&T

Various U.S. Locations

Management- Business Development and Finance & Government Affairs

- Led team in creating the initial business case for TCG that resulted in AT&T's purchase of TCG in January 1998.
- Developed financial models for new business development projects.
- Created new business concept document for broadband growth.
- Produced a \$20 million financial turnaround, using rate filings, in one year.
- Developed AT&T's policies and positions regarding proposed legislation.
- Led interdepartmental teams, coordinated and led negotiations with independent telephone companies and represented AT&T in formal hearings.
- Created educational materials to develop a solid reimagining for AT&T in Pennsylvania and New Jersey that AT&T used nationwide.

1997-1972

Early Career Positions

Metropolitan Area, Washington, DC

- **Fairfax County Department of Consumer Affairs**
Consumer Advocate, Public Utilities

Prepared and presented testimony on rate of return and economic issues in electric, gas, and telephone rate cases before the Virginia State Corporation Commission

- **Technical Research Analysis Company**
Vice President

Established an energy and regulatory consulting firm, performing research and analytical projects for the Federal Energy Regulatory Commission (FERC) and the U.S. Department of Energy (DOE).

- **U.S. Department of Energy**

Economist

Developed and performed new, rigorous studies assessing the economic feasibility of energy efficiency regulations and developed energy price forecasts.

- **Public Utility Consulting**

Economist

Researched for two Washington, DC based public utility consulting firms. Performed research in public utility regulation, and prepared cost of capital, cost allocation, and rate design studies in support of the company's public utility consulting projects and for use in public utility rate cases.

EDUCATION

- Master's in Economics – 1978 George Mason University
- Bachelor of Art in Economics – 1972 Georgetown University

SAMPLES OF CHRISTOPHER J. ROZYCKI'S TESTIMONY & FILINGS

“Presented Testimony On Petition and Complaint of PayTel Communication, Inc. ”

Submitted to South Carolina Public Service Commission, Docket No. 2017-354-C, February 27, 2018.

“Presented Testimony On Existence of Competition Between Services Provided by Wireless/Cellular Telephone Companies and Local Wireless Service Provided by South Carolina’s Incumbent Local Exchange Companies.” Submitted to South Carolina Public Service Commission, Docket No. 2015-290-C, October 13, 2015.

“Presented South Carolina Office of Regulatory Staff’s Findings On Certain Telecommunications Carriers Failure To Comply with Certain South Carolina Regulated Requirements.” Submitted to South Carolina Public Service Commission, Docket No. 2015-32-C, May 13, 2015.

“Presented South Carolina Office of Regulatory Staff’s Position On Telecommunications Services Being Offered By Halo Wireless, Incorporated in South Carolina.” Submitted to South Carolina Public Service Commission, Docket No. 2011-304-C, March 9, 2012.

“Presented South Carolina Office of Regulatory Staff Review of Midwestern Telecommunications, Inc. Request For Additional Designation as a Wireless Eligible Telecommunications Carrier in South Carolina.” Submitted to South Carolina Public Service Commission, Docket Nos. 2011-91-C, September 1, 2011.

“Presented South Carolina Office of Regulatory Staff Finding Into LifeConnex Telecom LLC Eligible Telecommunications Carrier Designation Within South Carolina.” Submitted to South Carolina Public Service Commission, Docket Nos. 2011-89-C, May 25, 2011.

“Presented South Carolina Office of Regulatory Staff Finding Into Technology Fee Charges in Michael Shearin v. Jacobs-Rabons Communications, LLC Docket.” Submitted to South Carolina Public Service Commission, Docket Nos. 2011-55-C, 2011-63-C, 2011-66-C, and 2011-67-C, May 25, 2011.

“Presented South Carolina Office of Regulatory Staff’s Review of Allied Wireless Communications Corporation Eligible Telecommunications Carrier Designation in South Carolina.” Submitted to South Carolina Public Service Commission, Docket No. 2010-385-C, February 10, 2011.

“Presented South Carolina Office of Regulatory Staff’s Findings on the “Joint Application of Frontier Communications Corporations, New Communications of the Carolinas, Inc. , New Communications Online and Long Distance LLC, and Verizon Enterprise Solutions LLC for the Sale of Assets and the Transfer of Authority and Certificates,” Submitted to South Carolina Public Service Commission, Docket No. 2009-414-C, March 25, 2010.

“Presented South Carolina Office of Regulatory Staff’s Findings on the “Joint Application of Frontier Communications Corporations, New Communications of the Carolinas, Inc. , New Communications Online and Long Distance LLC, and Verizon Enterprise Solutions LLC for the Sale of Assets and the Transfer of Authority and Certificates,” Submitted to South Carolina Public Service Commission, Docket No. 2009-220-C, July 30, 2009.

“Presented South Carolina Office of Regulatory Staff’s Recommendations on Time Warner Cable Information Systems Providing Digital Phone Service In An Area Served By Farmers Telephone Cooperative, Inc.” Submitted to South Carolina Public Service Commission, Docket No. 2008-325-C, December 8, 2008.

“Presented South Carolina Office of Regulatory Staff’s Recommendations on Time Warner Cable Information Systems Providing Digital Phone Service In An Area Served By Fort Mills Telephone Company.” Submitted to South Carolina Public Service Commission, Docket No. 2008-326-C, December 8, 2008.

“Presented South Carolina Office of Regulatory Staff’s Recommendations on Time Warner Cable Information Systems Providing Digital Phone Service In An Area Served By Home Telephone Company.” Submitted to South Carolina Public Service Commission, Docket No. 2008-327-C, December 9, 2008.

“Presented South Carolina Office of Regulatory Staff’s Recommendations on Time Warner Cable Information Systems Providing Digital Phone Service In An Area Served By PBT Telecom, Inc.” Submitted to South Carolina Public Service Commission, Docket No. 2008-328-C, December 9, 2008.

“Presented South Carolina Office of Regulatory Staff’s Recommendations on Time Warner Cable Information Systems Providing Digital Phone Service In An Area Served By Rock Hill Telephone Company d/b/a Comporium Communications.” Submitted to South Carolina Public Service Commission, Docket No. 2008-329-C, December 10, 2008.

"Comments On the Status of Competition in the Market for the Delivery of Video Programming," Submitted to the Federal Communications Commission, CS Docket No. 01- 129, on behalf of Carolina BroadBand, Inc., August 3, 2001.

"Testimony Requesting Immediate Implementation of Performance Measures and Enforcement Mechanisms for BellSouth to Support the Development of Competition in Georgia," Submitted to the Georgia Public Service Commission, Docket No. 7892-U, Prepared for ITC^ DeltaCom Communications Inc., June 20, 2000.

"Testimony Regarding ITC^ DeltaCom's Petition for Arbitration With BellSouth Pursuant to the Telecommunications Act of 1996"

- Submitted to the Georgia Public Service Commission, Docket No. I 0854-U, Prepared for ITC^ DeltaCom Communications Inc., November 15, 1999.
- Submitted to the Tennessee Regulatory Authority, Docket No. 99-00430, Prepared for ITC^ DeltaCom Communications Inc., October 22, 1999.
- Submitted to the Louisiana Public Service Commission, Docket No. U-24206, Prepared for ITC^ DeltaCom Communications Inc., September 3, 1999.
- Submitted to the Florida Public Service Commission, Docket No. 990750-TP, Prepared for ITC^ DeltaCom Communications Inc., August 16, 1999.
- Submitted to the South Carolina Public Service Commission, Docket No. 1999-259-C, Prepared for ITC^ DeltaCom Communications Inc., August 11, 1999.
- Submitted to the Alabama Public Service Commission, Docket No. 27091, Prepared for ITC^ DeltaCom Communications Inc., June 14, 1999.
- Submitted to the North Carolina Utilities Commission, Docket No. P-500 Sub J 0, Prepared for ITC^ DeltaCom Communications Inc., June 14, 1999.

"Testimony Regarding ITC^ DeltaCom's Complaint Against BellSouth For Breach of Interconnection Terms, and Request for Immediate Relief (Payment of Reciprocal Compensation for ISP-Bound Traffic)," Submitted to the South Carolina Public Service Commission, Docket No. 1999-033-C, Prepared for ITC^ DeltaCom Communications Inc., August 18, 1999.

"Testimony Regarding the Emergency Petition of ITC^ DeltaCom for Declaratory Ruling Enforcing Certain Terms of Its Interconnection Agreement With BellSouth (Payment of Reciprocal Compensation for ISP-Bound Traffic)," Submitted to the Alabama Public Service Commission, Docket 26619, Prepared for ITC^ DeltaCom Communications Inc., August 24, 1998.

"Testimony Regarding The Commission Investigation Into How The Revenues Generated By The Lease of Dark Fiber Are Subject to the UAF Contribution Requirements," Submitted to the Georgia Public Service Commission, Docket No. 8787, Prepared for ITC^ DeltaCom Communications Inc., April 13, 1998.

"Testimony Regarding the Request of Bell Atlantic - New York for Permission to Provide InterLATA Telecommunications Service," Submitted to the New York Public Service Commission, Case No. 97-C-0271, Prepared for Hyperion Telecommunications Inc., December 3, 1997. (Hyperion was renamed Adelphia Business Solutions, and then renamed again - TelCove).

"Testimony Regarding the Petition of New England Telephone and Telegraph Company d/b/a Bell Atlantic Vermont for Approval of a Price Regulation Plan Pursuant to 30 V.S.A. § 226b," Submitted to the Vermont Public Service Board, Docket No. 6000, Prepared for Hyperion Telecommunications Inc., 1997.

"Testimony Regarding Hyperion's Position on Service Quality Standards for Local Exchange Companies Providing Telecommunications Service in Vermont," Submitted to the Vermont Public Service Board, Docket No. 5903, Prepared for Hyperion Telecommunications Inc., May 28, 1997.

"Testimony Supporting the Application of Entergy Hyperion Telecommunications of Mississippi, LLC, for a Certificate of Public Convenience and Necessity for Authority to Provide Local Exchange and Interexchange Telecommunications Services in the State of Mississippi," Submitted to the Mississippi Public Service Commission, Docket No. 97-UA-296, Prepared for Hyperion Telecommunication Inc., May 15, 1997.

"Testimony Regarding the Regulation of ILECs and CLECs Providing Local Telecommunications Service in Vermont," Submitted to the Vermont Public Service Board, Docket No. 5713, Prepared for Hyperion Telecommunications Inc., April 8, 1997.

"Testimony and Exhibits Regarding the Access Charges of the Commonwealth Telephone Company," Submitted to the Pennsylvania Public Utility Commission, Docket No. I-00920020, Prepared for AT&T, July 19, 1993.

"Testimony and Exhibits In the Matter of the Diamond State Telephone Company's Application For a Rate Increase." Submitted to the Delaware Public Service Commission, Docket No. 92-47, Prepared for AT&T, January 18, 1993.

"Testimony and Exhibits Regarding the Access Rates of 37 Local Exchange Companies," Submitted to the Pennsylvania Public Utility Commission, Docket No. I-910010, Prepared for AT&T, October 2, 1992.

"Testimony Regarding the Application of the Chesapeake and Potomac Telephone Company of Virginia for Authority to Increase and Restructure Its Rates for Intrastate Communications Services," Submitted to the State Corporation Commission of the Commonwealth of Virginia, Case No. PUC 830029, on behalf of The Board of Supervisors of Fairfax County Virginia, November 2, 1983.

"Testimony Regarding the Application of Virginia Electric and Power Company for an Increase in Rates," Submitted to the State Corporation Commission of the Commonwealth of Virginia, Case No. PUE 830029, on behalf of The Board of Supervisors of Fairfax County Virginia, June 30, 1983.

"Testimony Regarding the Application of the Chesapeake and Potomac Telephone Company of Virginia for an Increase in Rates," Submitted to the State Corporation Commission of the Commonwealth of Virginia, Case No. PUC 820020, on behalf of The Board of Supervisors of Fairfax County Virginia, January 5, 1983.

"Testimony Regarding the Application of Washington Gas Light Company for an Increase in Rates," Submitted to the State Corporation Commission of the Commonwealth of Virginia, Case No. PUE 820029, on behalf of The Board of Supervisors of Fairfax County Virginia, November 22 1982.

"Testimony Regarding the Application of the Continental Telephone Company of Virginia for an Increase in Rates," Submitted to the State Corporation Commission of the Commonwealth of Virginia, Case No. PUC 820011, on behalf of The Board of Supervisors of Fairfax County Virginia, October 27, 1982.

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2021- 21- C
March 15, 2021

IN RE: Application of Horry Telephone Cooperative,)
 Incorporated for Designation as an Eligible) **STIPULATION**
 Telecommunications Carrier in Certain)
 Census Blocks in Georgetown and Marion)
 Counties for Purposes of Receiving Federal
 Rural Digital Opportunity Fund ("RDOF")
 Phase I Support

This Stipulation is made by and among the South Carolina Office of Regulatory Staff ("ORS") and Horry Telephone Cooperative, Inc. ("Company" or "Applicant") (collectively referred to as the "Parties" or sometimes individually as a "Party").

Whereas, Applicant is seeking designation as an Eligible Telecommunications Carrier ("ETC") in 189 eligible census blocks located in Georgetown County and 85 eligible census blocks located in Marion County in order to receive federal universal service support under Sections 214 and 254 of the Federal Telecommunications Act of 1996 and pursuant to the Federal Communications Commission's ("FCC") Rural Digital Opportunity Fund Phase I (904) Auction;

Whereas, the Application was filed pursuant to § 214(e) of the Communications Act of 1934, and the rules and regulations of the Public Service Commission of South Carolina ("Commission") and the FCC;

Whereas, ORS is a statutory party to this action. See S.C. Code Ann. § 58-4-10(B);

Whereas, no other comments or petitions to intervene were received in response to the notice of filing;

Whereas, in support of its Application and request for expedited review of this matter, the Applicant has filed an Affidavit attesting to the truth and accuracy of the Application and testimony;

Whereas, the Applicant seeks a waiver of the Commission two-year plan regulation and the regulation that requires designation on a wire center basis so that the requested area will conform with FCC census block area designation;

Whereas, the Federal Communications Commission ("FCC") released FCC 11-161 Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing an Unified Intercarrier Compensation Regime; Federal-State Joint Board ("USF/ICC Transformation Order") in an effort to comprehensively reform and modernize the high cost program within the universal service fund and the intercarrier compensation system to reposition support for networks capable of providing both voice and broadband services and created the Rural Digital Opportunity Fund ("RDOF");

Whereas, the Applicant identified services areas in price cap carriers' service areas in incumbent markets which were unserved, and which could be served by the Applicant by constructing new facilities funded by the federal RDOF plan;

Whereas, the Applicant participated in RDOF Auction, and the FCC awarded support to Applicant through the competitive bidding process;

Whereas, Applicant was among the provisional winning bidder and will receive \$729,554.50 over a ten-year period to build a network capable of providing gigabit broadband service upon completion of certain post-auction requirements;

Whereas, one of these requirements is for Applicant to be designated as an ETC in each state that it received RDOF in the funded areas by June 7, 2021;

Whereas, 47 C.F.R. § 54.101(a)(1) defines voice telephony services eligible for universal service support as services that provide voice grade access to the public switched network or its functional equivalent; minutes of use for local service provided at no additional charge to end users; access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems; and toll limitation services to qualifying low-income consumers as provided in subpart E. of this part;

Whereas, Section 54.101(a)(2) defines broadband Internet access services eligible for universal service support as services that provide the capability to transmit data to and receive data by wire or radio from all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up service;

Whereas, the FCC does not require the Applicant to submit a five-year plan for proposed network improvements and upgrades and no longer requires ETCs provide equal access;

Whereas the FCC has adopted more specific measures to track deployment, including annual reporting of service to geocoded locations and certifications of compliance with benchmark milestones, provided a "more defined yardstick by which to measure their progress towards the universal availability of voice and broadband service" in winning bidders designated service areas;

Whereas, Applicant is required to maintain a functional network in emergency situations;

Whereas, Applicant is required to commit to objective measures to protect consumers;

Whereas, Applicant is required to offer local usage plans comparable to the one offered by the incumbent in the service areas for which it seeks designation, in compliance with Commission Regulation 103-690.C.(a)(4);

Whereas, the FCC has undertaken a granular analysis, at the census block and location level, which are smaller areas than the wire center level, to target funding to unserved and underserved areas and Applicant seeks a waiver of Commission Regulation 103-690.C.(b) to the extent it would prohibit designation of Applicant as an ETC in an area smaller than a wire center;

WHEREFORE, in the spirit of compromise, the Parties hereby stipulate and agree to the following terms and conditions:

1. As an ETC, Applicant agrees to provide voice and broadband service pursuant Section 214(e)(1) of the Communications Act of 1934, as amended and Section 54.201(d) of the rules of the FCC require ETCs to, throughout their service areas for which designation is received, (1) offer the services supported by federal universal service support mechanisms, (2) either using its own facilities or a combination of its own facilities and resale of another carrier's services, and to (3) advertise the availability of such services and the charges using media of general distribution.
2. As an ETC, Applicant agrees that it must offer the services that are supported by universal support mechanisms, which are voice telephony services and broadband service as defined in Section 54.101 of the FCC's Rules, either through its own facilities or a combination of its own facilities and resale of another carrier's facilities in areas where it seeks ETC designation.

3. As an ETC, Applicant agrees to provide voice grade access to its customers through interconnection of Applicant facilities and the public switched telephone network.
4. As an ETC, Applicant agrees that it will offer Lifeline discounts to qualifying customers and comply with federal Lifeline requirements in fulfillment of the requirement that ETCs offer Lifeline discounts to qualifying customers and to offer toll limitation service at no charge to qualifying customers in the funded areas, unless the Lifeline service does not distinguish between toll and non-toll calls in the pricing of the service.
5. As an ETC, Applicant agrees to provide access to emergency services for its customers in remote and currently unserved and underserved portions of the 274 census blocks for which it seeks ETC designation.
6. As an ETC, Applicant agrees to provide ORS with the list of census blocks and the estimated cost provided to the FCC to upgrade the census block groups within seven days of ETC designation.
7. As an ETC, Applicant agrees to provide estimated timelines for each census block it proposes to serve.
8. As an ETC, Applicant agrees to offer a Lifeline Broadband option for each census block that it has been awarded RDOF upon completion of construction to that census block.
9. As an ETC, Applicant will advertise these offerings in a manner that is designed to fully inform potential customers of the supported services available to them, to disclose all associated rates, and to ensure that qualifying low-income individuals are informed about the availability and cost of Lifeline programs.

10. As an ETC, Applicant, pursuant to FCC regulations, must: (1) certify that it will comply with the service requirements applicable to the support that it receives; (2) demonstrate its ability to remain functional in emergency situations; (3) demonstrate that it will satisfy consumer protection and service quality standards.
11. As an ETC, the Applicant agrees to report to the FCC and the Commission on a quarterly or annual basis the number of unfulfilled requests for service, as required.
12. As an ETC, Applicant certifies that it will comply with the service requirements applicable to the supported voice and broadband services that it will be offering in the Funded Areas, including the requirements for the RDOF auction program.
13. As an ETC, Applicant commits to making available to the Commission and ORS all reports it is required to file with the FCC in connection with RDOF Phase I funding for the designated areas.
14. As an ETC, Applicant commits that its voice and broadband network is designed to remain functional in emergency situations without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations and complies with the FCC's backup power requirements.
15. As an ETC, Applicant certifies that it is complying with applicable service quality standards and consumer protection rules, including complying with Lifeline service standards pursuant to 47 C.F.R. § 54.408 including minimum broadband speed requirements, data usage allowance, and accessibility to WIFI devices.
16. As an ETC, Applicant agrees to offer a voice local calling plan comparable to the calling plan offered by the incumbent local exchange carrier in the designated areas.

17. As an ETC, Applicant acknowledges that the FCC may require Applicant to provide equal access to long distance carriers in the event that no other ETC is providing equal access within the service area.
18. As an ETC, Applicant agrees that it is a common carrier and has the obligations of a common carrier for the provision of voice and broadband service within South Carolina.
19. Subject to the provisions set forth herein and compliance with regulatory assessments such as the Dual Party Relay Fund, the South Carolina Universal Service Fund, and gross receipts, where applicable, ORS does not oppose the Application of Horry Telephone Cooperative, Inc. for designation as an eligible telecommunications carrier.
20. As an ETC, Applicant will not "cream-skim," that is, target low-cost portions of a rural incumbent LEC's service area in which uneconomically high levels of support are available.
21. ORS is charged by law with the duty to represent the public interest of South Carolina. Pursuant to S.C. Code § 58-4-10(B) (Supp. 2018) 'public interest' means the concerns of the using and consuming public with respect to public utility services, regardless of the class of customer and preservation of continued investment in and maintenance of utility facilities so as to provide reliable and high quality utility services.
22. ORS believes the Stipulation reached among the Parties serves the public interest as defined above. The Parties agree that this Stipulation is reasonable, is in the public interest, and is in accordance with law and regulatory policy.
23. ORS agrees to support expedited review for the Applicant as it has agreed to the terms and conditions of ETC designation. This Stipulation contains the complete agreement

between the Parties regarding the Application. There are no other terms or conditions to which the Parties have agreed.

24. The Parties agree to advocate that the Commission accept and approve this Stipulation in its entirety as a fair, reasonable and full resolution of all issues in the above-captioned proceeding and that the Commission take no action inconsistent with its adoption. The Parties further agree to cooperate in good faith with one another in recommending to the Commission that this Stipulation be accepted and approved by the Commission. The Parties agree to use reasonable efforts to defend and support any Commission order issued approving this Stipulation and the terms and conditions contained herein.
25. The Parties represent that the terms of this Stipulation are based upon full and accurate information known as of the date this Stipulation is executed. If, after execution, either Party is made aware of information that conflicts with, nullifies, or is otherwise materially different than that information upon which this Stipulation is based, either Party may withdraw from the Stipulation with written notice to the other Party.
26. The Parties agree that signing this Stipulation will not constrain, inhibit, impair or prejudice their arguments or positions held in other collateral proceedings, nor will it constitute a precedent or evidence of acceptable practice in future proceedings. If the Commission declines to approve the Stipulation in its entirety, then any Party desiring to do so may withdraw from the Stipulation in its entirety without penalty or obligation.
27. This Stipulation shall be interpreted according to South Carolina law.
28. The above terms and conditions fully represent the agreement of the Parties hereto. Therefore, each Party acknowledges its consent and agreement to this Stipulation by affixing its signature or by authorizing counsel to affix his or her signature to this

document where indicated below. Counsel's signature represents his or her representation that his or her client has authorized the execution of the agreement. Facsimile signatures and email signatures shall be as effective as original signatures to bind any party. This document may be signed in counterparts, with the original signature pages combined with the body of the document constituting an original and provable copy of this Stipulation. The Parties agree that in the event any Party should fail to indicate its consent to this Stipulation and the terms contained herein, then this Stipulation shall be null and void and will not be binding on any Party.

[PARTY SIGNATURES TO FOLLOW ON SEPARATE PAGES]

WE AGREE:

Representing South Carolina Office of Regulatory Staff

A handwritten signature in blue ink, reading "Alexander W. Knowles", is written over a horizontal line.

Alexander W. Knowles, Esquire
South Carolina Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, SC 29201
Phone: (803) 737-0889
Email: aknowles@ors.sc.gov

WE AGREE:

Representing Horry Telephone Cooperative, Inc.

A handwritten signature in cursive script, reading "Margaret M. Fox", written in black ink. The signature is positioned above a horizontal line.

M. John Bowen, Jr., Esquire

Margaret M. Fox, Esquire

Burr & Forman L.L.P.

Post Office Box 11390

Columbia, SC 29211

Phone: (803) 799-9800

Email: jbowen@burr.com

Email: pfox@burr.com